



## *Report to the Auburn City Council*

Action Item  
Agenda Item No.

City Manager Approval

**To:** Mayor and City Council Members  
**From:** Bernie Schroeder, Director of Public Works *BS*  
Megan Siren, Administrative Analyst *MS*  
**Date:** March 14, 2011  
**Subject:** Consultant Agreement for the Sewer Collection System Rehabilitation Program

### **The Issue**

Shall the Council authorize a consultant agreement to NexGen Utility Management, Inc. to implement the Sewer Collection System Rehabilitation Program?

### **Conclusion and Recommendation**

Staff recommends that the City Council, by RESOLUTION, authorize the Director of Public Works to execute the consultant agreement with NexGen Utility Management for the Sewer Collection System Rehabilitation Program.

### **Background**

The City Council approved the Sewer System Management (SSMP) in October 2007. The SSMP outlines the operations and maintenance requirements for the sewer collection system. Through the SSMP and the initial implementation, the City has identified a list of sewers that are known to cause problems and have created the Sewer Collection System Rehabilitation Program to address these issues.

The Sewer Collection System Rehabilitation Program incorporates the following tasks:

- Validate High Risk Sewer Assets
- Condition Assessment of High Risk Assets
- Identify Rehabilitation Methods
- Develop, Design Documents & Specification
- Construction Management & Inspection

With the Sewer Collection System Rehabilitation Program a number of Capital Improvement Projects that were identified in the budget will be addressed including:

- Electric Street Infiltration & Inflow Reduction Project - \$50,000 in FY 10/11 Budget for Design
- Sewer Repairs throughout the Collection System (High Risk) - \$500,00 in FY 10/11 Budget
- Monticello Lift Station Upgrades - \$65,000 in FY 10/11 Budget for Design
- Auburn Oaks Lift Station Upgrades - \$80,000 in FY 10/11 Budget for Design

- Miscellaneous WWTP Rehabilitation Projects - \$100,000 in FY 10/11

Staff and the consultant will review and prioritize the projects listed above and move forward in an organized approach to complete the projects. Staff will bring forth the Capital Improvement Projects back to the Council for review and approval to advertise the projects for competitive bids.

As part of the NPDES permit, we are required to report all sanitary sewer overflows (SSOs) to the Central Valley Regional Water Quality Control Board. Our lift stations are particularly vulnerable for SSOs and through the Sewer Collection System Rehabilitation Program the goal is to reduce SSOs.

NexGen Utility Management has the unique and qualified skill-set to identify and rehabilitate our collection system with a systematic approach. The term of the agreement is for 2 years with the majority of the projects being completed within the next two construction seasons.

**Alternatives Available to Council; Implications of Alternatives**

1. Proceed with Staff Recommendation
2. Do not proceed with staff recommendation

**Fiscal Impact**

The professional services agreement totals \$169,560 which was included in the preparation of the 2010/11 City of Auburn Operating Budget. The Sewer Enterprise Fund includes adequate funding in Professional Services and in the Capital Improvements Project Budgets to cover the professional service agreement.

**PROFESSIONAL SERVICES AGREEMENT**  
**Providing Payment of Prevailing Wages**  
**(City of Auburn / NexGen Utility Management.)**

**1. IDENTIFICATION**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into by and between the City of Auburn a California municipal corporation ("City") and **NexGen Utility Management, Inc. a *California, Corporation*** ("Consultant").

**2. RECITALS**

- 2.1 City has determined that it requires the following professional services from a consultant: Auburn Sewer Rehabilitation Program.
- 2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

**3. DEFINITIONS**

- 3.1 "Scope of Services": Such professional services as are set forth in Consultant's March 7, 2011 proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 "Approved Fee Schedule": Such compensation rates as are set forth in Consultant's March 7, 2011 fee schedule to City attached hereto as Exhibit B and incorporated herein by this reference.
- 3.3 "Commencement Date": March 14, 2011.
- 3.4 "Expiration Date": March 14, 2013.

**4. TERM**

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the parties or terminated earlier in accordance with Section 17 ("Termination") below.

**5. CONSULTANT'S SERVICES**

- 5.1 Consultant shall perform the services identified in the Scope of Services. City

shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sum of One Hundred Sixty Nine Thousand Four Hundred Eighty Dollars (\$169,480) unless specifically approved in advance and in writing by City.

- 5.2 Consultant shall obtain a City business license prior to commencing performance under this Agreement.
- 5.3 Consultant shall perform all work to the highest standards of Consultant's profession and in a manner reasonably satisfactory to City. Consultant shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*).
- 5.4 During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute and (ii) City has not consented in writing to Consultant's performance of such work.
- 5.5 Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. **Dan Rich** shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.
- 5.6 To the extent that the Scope of Services involves trenches deeper than four feet (4'), Contractor shall promptly, and before the following conditions are disturbed, notify the City, in writing, of any:
  - (1) Material that the contractor believes may be material that is hazardous waste, as defined in Health and Safety Code § 25117 which is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of law.
  - (2) Subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to bidders prior to the deadline for submitting bids.

(3) Unknown physical conditions at the site of any unusual nature that materially differ from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement.

City shall promptly investigate the conditions, and if it finds that the conditions do so materially differ, or involve hazardous waste, and cause a decrease or increase in the contractor's cost of, or the time required for, performance of any part of the work, the City shall issue a change order under the procedures described in this Agreement.

**6. COMPENSATION**

- 6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Approved Fee Schedule in full satisfaction for such services.
- 6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. City shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law.
- 6.3 Payments for any services requested by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis pursuant to the Approved Fee Schedule. Consultant shall be entitled to increase the fees in this fee schedule at such time as it increases its fees for its clients generally; provided, however, in no event shall Consultant be entitled to increase fees for services rendered before the thirtieth day after Consultant notifies City in writing of an increase in that fee schedule or to compensation other than in compliance with this Agreement, including, without limitation, Section 5.1 above..
- 6.4 To the extent applicable, this Agreement is further subject to the provisions of Article 1.7 (commencing at § 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to the contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with this Article. This Agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.
- 6.5 To the extent applicable, at any time during the term of the Agreement, the Consultant may at its own expense substitute securities equivalent to the amount

withheld as retention (or the retained percentage) in accordance with Public Contract Code § 22300. At the request and expense of the consultant, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to the City. Upon satisfactory completion of the contract, the securities shall be returned to the Consultant.

**7. OWNERSHIP OF WRITTEN PRODUCTS**

All reports, documents or other written material ("written products" herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon use or dissemination by City. Consultant may take and retain copies of such written products as desired, but shall not seek to copyright such written products.

**8. RELATIONSHIP OF PARTIES**

Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

**9. CONFIDENTIALITY**

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data shall be returned to City upon the termination or expiration of this Agreement.

**10. INDEMNIFICATION**

- 10.1 The parties agree that City, its officers, agents, employees and volunteers should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the parties intend the provisions of this indemnity provision to be interpreted and construed to provide the City with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein.
- 10.2 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless, and when the City requests with respect to a claim provide a deposit for the defense of, and defend City, its officers, agents, employees and volunteers from and against any and all claims, losses, costs and expenses for any damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, and injury to any property arising out of or in connection with Consultant's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole active negligence or willful misconduct of the City. Such costs and expenses shall include reasonable attorneys' fees due to counsel of City's choice, expert fees and all other expenses of litigation.
- 10.3 City shall have the right to offset against any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 10 and any amount due City from Consultant arising from Consultant's failure either to (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 10.4 The obligations of Consultant under this Section 10 are not limited by the provisions of any workers' compensation or similar statute. Consultant expressly waives its statutory immunity under such statutes as to City, its officers, agents, employees and volunteers.
- 10.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. If Consultant fails to obtain

such indemnity obligations from others, Consultant agrees to indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims, losses, costs and expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

- 10.6 City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply whether or not any insurance policies apply to a claim, demand, damage, liability, loss, cost or expense.

## 11. INSURANCE

- 11.1 During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:
- 11.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.
  - 11.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.
  - 11.1.3 Worker's Compensation insurance if and as required by the laws of the State of California.
  - 11.1.4 Professional Errors and Omissions Insurance with coverage limits of not less than One Million Dollars (\$1,000,000).



- 11.2 Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.
- 11.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.
- 11.4 Consultant agrees that if it does not keep the insurance coverages required by this Agreement in full force and effect, City may either (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay the premium(s) thereon at Consultant's expense.
- 11.5 At all times during the term of this Agreement, Consultant shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the required coverages are in effect and naming the City and its officers, employees, agents and volunteers as additional insureds. Prior to commencement of work under this Agreement, Consultant shall file such certificate(s) with City's Risk Manager.
- 11.6 Consultant shall provide proof that policies of insurance required by this Agreement expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.
- 11.7 The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming City and its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.
- 11.8 The insurance provided by Consultant shall be primary to any other coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers shall be in excess of Consultant's insurance and shall not contribute with it.
- 11.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.

- 11.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond in the amount of the deductible or self-insured retention to guarantee payment of losses and expenses.
- 11.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

## **12. MUTUAL COOPERATION**

- 12.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 12.2 If any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require in the defense of that claim or action.

## **13. RECORDS AND INSPECTIONS**

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

## **14. PERMITS AND APPROVALS**

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.

## **15. NOTICES**

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City

City of Auburn  
1225 Lincoln Way  
Auburn CA 95603  
Telephone: (530) 823-4211 x\_\_\_\_  
Facsimile: (530) 823-4216

If to Consultant:

*NexGen Utility Management*  
*C/O Dan Rich*  
*4010 Lennane Dr*  
*Sacramento, CA 95834*  
Telephone: (916) 564-8005  
Facsimile: (888) 820-8880

With courtesy copy to:

Michael G. Colantuono, Esq.  
Auburn City Attorney  
Colantuono & Levin, P.C.  
11406 Pleasant Valley Road  
Penn Valley, CA 95946-9024  
Telephone: (530) 432-7359  
Facsimile: (530) 432-7356

## **16. SURVIVING COVENANTS**

The parties agree that the covenants contained in Section 9, Section 10, Paragraph 12.2 and Section 13 of this Agreement shall survive the expiration or termination of this Agreement.

## **17. TERMINATION**

- 17.1. City may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant may terminate this Agreement for any reason on thirty calendar days' written notice to City. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.
- 17.2 If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement as provided in Section 5.1 above and as otherwise provided in this Agreement.

**18. GENERAL PROVISIONS**

- 18.1 Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.2 In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability, medical condition or any other unlawful basis.
- 18.3 The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph shall govern construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular and vice versa, in any place or places herein in which the context requires such substitution(s).
- 18.4 The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing signed by one authorized to bind the party to be charged with the waiver.
- 18.5 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.6 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies. If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the party prevailing in such action, whether or not reduced to judgment, shall be entitled to its reasonable court costs, including any accountants' and attorneys' fees expended in the action. The venue for any litigation shall be Placer County, California and Consultant

hereby consents to jurisdiction in Placer County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

- 18.7 If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 18.8 This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 18.9 All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the provisions of this Agreement and those of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on behalf of the City and Consultant.
- 18.10 To the extent applicable, this Agreement is further subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by the contractor, for the response to such claims by the contracting public agency, for a mandatory meet and confer conference upon the request of the contractor, for mandatory nonbinding mediation in the event litigation is commenced, and for mandatory judicial arbitration if the parties fail to resolve the dispute through mediation. This Agreement hereby incorporates the provisions of Article 1.5 as though fully set forth herein.
- 18.11 This Agreement is further subject to the provisions of California Public Contracts Code § 6109 which prohibits the Consultant from performing work on this project with a subcontractor who is ineligible to perform work on the project pursuant to §§ 1777.1 or 1777.7 of the Labor Code.

19 **PREVAILING WAGES**

19.1 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is subject to prevailing wage law, including, but not limited to, the following:

19.1.1 The Consultant shall pay the prevailing wage rates for all work performed under the Agreement. When any craft or classification is omitted from the general prevailing wage determinations, the Consultant shall pay the wage rate of the craft or classification most closely related to the omitted classification. The Consultant shall forfeit as a penalty to City \$50.00 or any greater penalty provided in the Labor Code for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates for any work done under the Agreement employed in the execution of the work by Consultant or by any subcontractor of Consultant in violation of the provisions of the Labor Code. In addition, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Consultant.

19.1.2 Consultant shall comply with the provisions of Labor Code § 1777.5 concerning the employment of apprentices on public works projects, and further agrees that Consultant is responsible for compliance with § 1777.5 by all of its subcontractors.

19.1.3 Pursuant to Labor Code § 1776, Consultant and any subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Consultant in connection with this Agreement. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Labor Code §§ 1811, and 1815 for any work performed by his or her employees on the public works project. The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours as required by Labor Code § 1776.

19.2 To the extent that the estimated amount of this Agreement exceeds \$1,000, this Agreement is further subject to 8-hour work day and wage and hour penalty law, including, but not limited to, Labor Code §§ 1810 and 1813, as well as California

nondiscrimination laws, as follows:

- 19.2.1 Consultant shall strictly adhere to the provisions of the Labor Code regarding the 8-hour day and the 40-hour week, overtime, Saturday, Sunday and holiday work and nondiscrimination on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex or sexual orientation, except as provided in Government Code § 12940. Pursuant to the Labor Code, eight hours' labor shall constitute a legal day's work. Work performed by Consultant's employees in excess of eight hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. Consultant shall forfeit as a penalty to City \$25.00 or any greater penalty set forth in the Labor Code for each worker employed in the execution of the work by Consultant or by any Subcontractor of Consultant, for each calendar day during which such worker is required or permitted to the work more than eight hours in one calendar day or more than 40 hours in any one calendar week in violation of the Labor Code.

**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

**"City"**  
**City of Auburn**

**"Consultant"**  
**NexGen Utility Management**

By: \_\_\_\_\_

By: \_\_\_\_\_  
*Dan Rich, Principal*

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
*Vince Yee, Principal*

Date: \_\_\_\_\_

Attest:

By \_\_\_\_\_  
Deputy City Clerk

Date: \_\_\_\_\_

Approved as to form:

By \_\_\_\_\_  
Michael G. Colantuono, City Attorney

Date: \_\_\_\_\_



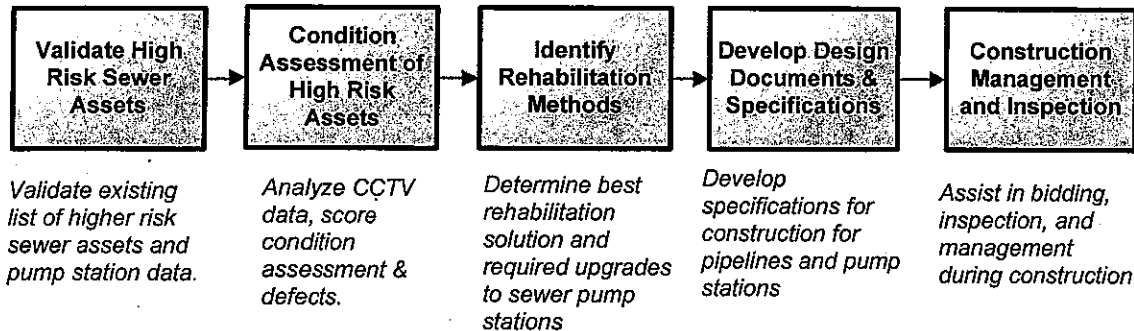
## EXHIBIT A SCOPE OF WORK

### Task 1- City of Auburn Sewer Rehabilitation Program

#### Overview

The purpose of this document is to present the scope of work for the City of Auburn's (City) Sewer Rehabilitation Program. The City has identified a list of sewers that are known to have cause stoppages, overflows, or high infiltration/inflow. The City is interested in embarking on a Sewer Rehabilitation Program to address its aging sewers. The City is also interested to continue its program to upgrade certain pump stations each year consistent with the City's reliability standards. Each year, the City allocates a significant budget to emergency sewer repairs. The goal of this program is to address sewer problems proactively with a reduced overall cost.

We have established the following general approach to meet the City's sewer rehabilitation goals:



Projects identified on the City's existing Capital Improvement Program (CIP) include:

- **Electric Street infiltration and inflow reduction.** The City has monitored wet weather flows from this area and observed elevated leakage from this tributary area. Some redevelopment projects are also possible upstream of this area that may require additional capacity.
- **Sewer Repairs.** Certain types of repairs may be completed by City crews. Larger projects involve use of outside contractors that are managed by the City.
- **Monticello Lift Station upgrades.** This smaller pump station has existing drainage issues, observed corrosion in the steel wet well, and the pumps are old and have two phase power.
- **Auburn Oaks Lift Station upgrades.** This station serves several hundred homes, has older pumps, lacks a building of housing the emergency generator and will require some changes to the fencing, gate and paving. The station is 20-years old and has a steel wet well with some corrosion observed.
- **Miscellaneous WWTP rehabilitation projects that will require outside contractors to complete.** These projects include: Oxidation Ditch brush No. 2 modifications, launder covers on the Secondary Clarifier No. 1, and belt filter press repairs.

NEXGEN's scope of work to implement this CIP is provided below. Depending on the relative

project costs, some of the lower priority CIPs may be studied or designed this year and implemented in subsequent years.

## Scope of Work

Task 1: Determine High Risk Sewer and Pump Station Projects	
<b>Objectives</b>	Collect data, prioritize projects, and define specific project scopes
<b>Activities</b>	<ol style="list-style-type: none"> <li>1. Review and finalize existing list of high risk sewer assets that have high probability of stoppages, overflows or infiltration/inflow.</li> <li>2. City's acceptance of the high risk sewers for the rehabilitation program.</li> <li>3. Identify if there are recent CCTV for the list of high risk sewers</li> <li>4. Work with CH2M HILL to CCTV the sewers without recent CCTV data.</li> <li>5. Review CCTV data and identify defects of the sewers. Document defects by type, location and severity.</li> <li>6. Develop overall Asset Condition Index for all high risk sewer assets.</li> <li>7. Complete condition assessment of Monticello and Auburn Oaks lift station to determine specific improvements and required construction budget.</li> </ol>
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>■ Populate City's CMMS with condition assessment data</li> <li>■ TM of the high risk sewers and a description of pump station deficiencies</li> </ul>
Task 2: Identify Rehabilitation Methods for Sewer Projects	
<b>Objectives</b>	The purpose of this task is to match the best rehabilitation solution for each sewer project identified in Task 1.
<b>Activities</b>	<ol style="list-style-type: none"> <li>1. Identify the best rehabilitation solution that may include traditional open cut or trenchless technologies.</li> <li>2. Solutions will consider accessibility and impact to customers.</li> <li>3. Determine which project can be completed by City resources and which are more suited for outside contractors.</li> </ol>
<b>Deliverables</b>	<ul style="list-style-type: none"> <li>■ TM list of high risk sewers with proposed rehabilitation methods.</li> <li>■ Ongoing coordination with City staff to determine best means to complete required repairs.</li> </ul>
Task 3: Develop Design Documents & Specifications	
<b>Objectives</b>	The purpose of this task is to develop construction documents and specifications..
<b>Activities</b>	<ol style="list-style-type: none"> <li>1. Develop construction documents and specifications for sewer rehabilitation projects. Group sewer rehabilitation into projects into logical bidding packages.</li> <li>2. Develop construction documents and specifications for pump station upgrades.</li> </ol>

	3. Write scope of work and obtain bids for WWTP equipment repairs.
<b>Deliverables</b>	Construction documents and specifications suitable for competitive bidding. An allowance for these design documents is provided at this time. A detailed estimate will be prepared after completion of Task 2.
<b>Task 4: Construction Management of Rehabilitation Projects</b>	
<b>Objectives</b>	The purpose of this task is to manage the construction of the rehabilitation projects.
<b>Activities</b>	<ol style="list-style-type: none"> <li>1. Acquire bids and assist selection of contractors for the rehabilitation projects</li> <li>2. Daily construction management of the rehabilitation projects.</li> <li>3. Manage and resolve issues that may arise during construction.</li> <li>4. Manage communications with contractors</li> <li>5. For projects completed by City resources, assist as necessary.</li> </ol>
<b>Deliverables</b>	Daily inspection and management of construction documents. Act as City representative during construction. Level of effort to be determined with City after completion of Task 3. A budgetary allowance is provided at this time.

# **EXHIBIT B** **APPROVED FEE SCHEDULE**

NEXGEN's budget for these tasks is provided below.

Task Name	Yee/ Naik	Rich/ Lee	Bressi	Gunsch/ Kaur	Cima	Labor (hr)	Labor (\$)	Expenses	Total Cost
	\$ 180	\$ 140	\$ 75	\$ 120	\$ 60				
1. Validate High Risk Sewers/PS	16	24	20	16	12	88	\$ 10,380	\$ 200	\$ 10,580
2. Identify Rehab Methods	24	32	60	32	8	156	\$ 17,620	\$ 200	\$ 17,820
3. Construction Documents	60	180	120	180	20	560	\$ 67,800	\$ 800	\$ 68,600
4. CM and Inspection		80	800		8	888	\$ 71,680	\$ 800	\$ 72,480
<b>Total =</b>	<b>100</b>	<b>316</b>	<b>1,000</b>	<b>228</b>	<b>48</b>	<b>1,692</b>	<b>\$ 167,480</b>	<b>\$ 2,000</b>	<b>\$169,480</b>

## **NON-COLLUSION AFFIDAVIT**

State of California     )  
                                  ) ss.  
County of Placer)

\_\_\_\_\_, being first duly sworn, deposes and says that he or she is \_\_\_\_\_ of \_\_\_\_\_, the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the Contractor has not directly or indirectly induced or solicited any other Contractor to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any Contractor or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the Contractor has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Contractor or any other Contractor, or to fix any overhead, profit, or cost element of the bid price, or of that of any other Contractor, or to secure any advantage against the City of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the Contractor has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid."

\_\_\_\_\_  
Signature of Contractor

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
Place of Residence

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Notary Public in and for the County  
of  
State of California.

My Commission Expires \_\_\_\_\_, 20\_\_.

## **WORKERS' COMPENSATION INSURANCE** **CERTIFICATE**

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATE: \_\_\_\_\_

\_\_\_\_\_  
(Contractor)

By: \_\_\_\_\_

(Signature)

\_\_\_\_\_  
(Title)

Attest:

By: \_\_\_\_\_

(Signature)

\_\_\_\_\_  
(Title)

1 RESOLUTION NO. 11-  
2 RESOLUTION AUTHORIZING THE CONSULTANT AGREEMENT WITH NEXGEN  
3 UTILITY MANAGEMENT FOR WASTEWATER CONSULTING  
4 -----

5 THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

6 That the City Council of the City of Auburn does hereby authorize the  
7 Director of Public Works to execute a consultant contract with NexGen Utility  
8 Management, Inc. for the Sewer Collection System Rehabilitation Program.

9 A true and correct copy of said Consultant Agreement is attached hereto as  
10 Exhibit "A."  
11

12 DATED: March 14, 2011  
13

14 \_\_\_\_\_  
15 William W. Kirby, M.D., Mayor

16 ATTEST:

17 \_\_\_\_\_  
18 Joseph G. R. Labrie, City Clerk

19 I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify  
20 that the foregoing resolution was duly passed at a regular session meeting of  
21 the City Council of the City of Auburn held on the 14<sup>th</sup> day of March 2011 by  
22 the following vote on roll call:

23 Ayes:

24 Noes:

25 Absent:

26 \_\_\_\_\_  
27 Joseph G. R. Labrie, City Clerk  
28

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